

A regular meeting of the Michigan State Employees' Retirement System Board was held at the State Secondary Complex, General Office Building, First Floor, Conference Room A, Lansing, Michigan, on August 9, 2007. The following members, staff and observers participated:

Members Present: David Dekker, Employee Member
George Elworth representing the Attorney General
Vernon Johnson, representing the State Treasurer
Daniel McLellan, representing the Director of Civil Service
Craig Murray, representing the Deputy Auditor General
Harry Posner, Employee Member
John Schoonmaker, representing the Commissioner of the
Office of Financial and Insurance Services

Present via Phone: Calvin Frappier, Retiree Member

Staff Present: Laurie Hill, Acting Executive Secretary
Kathy Ciaramella, Recording Secretary

Others Present: Thomas Schimpf of the Attorney General's Office; Al Trierweiler of the State Employees' Retirement Association; Janet Ketchum, of the Retirement Coordinating Council; Ronald Jones of the Bureau of Investments; Chris Jacobson of the Bureau of Investments; Kathy Tober, Tim McCormick, and Terry Rideout of the Office of Retirement Services.

Call to Order

Vice Chair John Schoonmaker called the meeting to order at 1:35 p.m.

Excusing of Absent Members

George Elworth moved, Vernon Johnson supported, to excuse the absence of Douglas Drake. The motion carried unanimously.

Approval of Agenda

George Elworth moved, Vernon Johnson supported, to approve the revised agenda. The motion carried unanimously.

Approval of Minutes

David Dekker moved, Daniel McLellan supported, to approve the Regular Session meeting minutes of June 28, 2007, with a name spelling correction on page 2. The motion carried unanimously.

Vernon Johnson moved, George Elworth supported, to approve the Executive Session meeting minutes of June 28, 2007, as presented. The motion carried unanimously.

Disability Retirement Applications

Non-Duty Disability Retirement Applications

David Dekker moved, George Elworth supported, to approve the non-duty disability applications 1 – 4, 6, 8 – 12 and 15, as presented in the Supplemental Information to the Agenda, 7A, except applications 5, 7, 13 and 14. The motion carried unanimously.

Following discussion, Harry Posner moved, Daniel McLellan supported, to approve applications 5 and 7, as presented in the Supplemental Information to the Agenda, 7A. The motion carried unanimously.

Following discussion, David Dekker moved, Daniel McLellan supported, to deny application 13 for non-duty disability retirement benefits, as presented in the Supplemental Information to the Agenda, 7A. The motion carried with one opposing vote.

Following discussion, Harry Posner moved, George Elworth supported, to approve application 14, as presented in the Supplemental Information to the Agenda, 7A. The motion carried unanimously.

Duty Disability Retirement Application

Calvin Frappier moved, Daniel McLellan supported, to approve the duty disability application 1 – 1, as presented in the Supplemental Information to the Agenda, 7B. The motion carried unanimously.

Administrative Hearings

Proposal for Decision – Docket 2006-AH055

The Board considered the case materials. Craig Murray moved, Daniel McLellan supported, that the Board adopt in part and reject in part the recommendation of the Presiding Officer in the Proposal for Decision dated May 4, 2007, including the proposed Findings of Fact and Conclusions of Law, except for the changes requested by Respondent, and deny Petitioner duty and non-duty disability retirement benefits, using the form of the decision and order offered by Respondent. The motion carried with one opposing vote.

Proposal for Decision – Docket 2006-AH052

The Board considered the case materials. Daniel McLellan moved, Craig Murray supported, that the Board adopt as its own the recommendation of the Presiding Officer in the Proposal for Decision dated May 10, 2007, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's request for non-duty disability retirement benefits, using the form of the decision and order offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2006-AH072

The Board considered the case materials. Daniel McLellan moved, Vernon Johnson supported, that the Board adopt as its own the recommendation of the Presiding Officer in the Proposal for Decision dated May 14, 2007, including the proposed Findings of Fact and Conclusions of Law, and grant non-duty disability retirement benefits to Petitioner. The motion carried unanimously.

Proposal for Decision – Docket 2006-274

The Board considered the case materials. Daniel McLellan moved, Vernon Johnson supported, that the Board adopt as its own the recommendation of the Presiding Officer in the Proposal for Decision dated May 25, 2007, including the proposed Findings of Fact and Conclusions of Law, and grant duty disability retirement benefits to Petitioner. The motion carried unanimously.

Proposal for Decision – Docket 2006-AH054

The Board considered the case materials. Daniel McLellan moved, Vernon Johnson supported, that the Board adopt as its own the recommendation of the Presiding Officer in the Proposal for Decision dated May 12, 2007, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's request for an "Option A" 100% survivor benefit, using the form of decision and order offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2006-AH079

The Board considered the case materials. Daniel McLellan moved, Harry Posner supported, that the Board reject the recommendation of the Presiding Officer in the Proposal for Decision dated May 28, 2007, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner non-duty disability retirement benefits based upon Respondent's Exceptions and the administrative record, using the form of decision and order offered by Respondent. The motion carried unanimously.

Unfinished BusinessFinal Decision and Order – Docket 2007 - 3 SERS

The Board reviewed the Findings of Fact and Conclusions of Law as defined in the proposed Final Decision and Order denying Petitioner's request for duty disability retirement benefits. Daniel McLellan moved, Craig Murray supported, to adopt the proposed Order as presented. The motion carried unanimously.

Special ReportAnnual Investment Report

Ronald C. Jones, Jr., Esq., Chief Administrative Officer, Bureau of Investments in the Department of Treasury, provided the annual investment report and responded to questions.

Legislative Report

The current report was included in the agenda packet.

Board Comment

No comments were made.

Public Comment

The Board received no comments.

Adjournment

Vernon Johnson moved, Craig Murray supported, to adjourn the meeting at 2:33 p.m. The motion carried unanimously.

OFFICIAL MINUTES

John R. Schoonmaker
Vice-Chair

Laurie Hise
Executive Secretary